

April 2007

DEFENSE ACQUISITIONS

Status and Challenges of Joint Forces Command's Limited Acquisition Authority



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Report Documentation Page				Form Approved OMB No. 0704-0188	
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1. REPORT DATE APR 2007		2. REPORT TYPE		3. DATES COVERED 00-00-2007 to 00-00-2007	
4. TITLE AND SUBTITLE Defense Acquisitions. Status and Challenges of Joint Forces Command's Limited Acquisition Authority				5a. CONTRACT NUMBER	
				5b. GRANT NUMBER	
				5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)				5d. PROJECT NUMBER	
				5e. TASK NUMBER	
				5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) U.S. Government Accountability Office, 441 G Street NW, Washington, DC, 20548				8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				10. SPONSOR/MONITOR'S ACRONYM(S)	
				11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited					
13. SUPPLEMENTARY NOTES					
14. ABSTRACT					
15. SUBJECT TERMS					
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES 31	19a. NAME OF RESPONSIBLE PERSON
a. REPORT unclassified	b. ABSTRACT unclassified	c. THIS PAGE unclassified			



Highlights of [GAO-07-546](#), a report to congressional committees

Why GAO Did This Study

Over 3 years ago, Congress granted limited acquisition authority (LAA)—subject to delegation by the Secretary of Defense—to U.S. Joint Forces Command (JFCOM) for a 3-year period to expedite development and acquisition of certain warfighter equipment. Congress directed GAO to report on JFCOM LAA implementation. GAO's report, issued in November 2005, said JFCOM finished five LAA projects and was working on a sixth project, and that JFCOM had experienced difficulty finding funding to develop, acquire, and sustain LAA projects. Last year, Congress extended LAA through September 2008 and again directed GAO to report on LAA. This report updates the status of JFCOM LAA efforts since the authority was enacted and key LAA challenges.

What GAO Recommends

GAO recommends that the Secretary of Defense reassess the role of JFCOM LAA in light of changes contemplated for the Joint Rapid Acquisition Cell (JRAC) process, to determine whether and how JFCOM LAA should play a role in meeting joint urgent needs; to the extent JFCOM LAA is to continue to play a role, assess and resolve the challenges identified in this report; and inform Congress of the results of the assessment and decisions. DOD concurred with GAO's recommendations. GAO added a matter for congressional consideration regarding the timing of the congressional decision on the future of JFCOM LAA.

www.gao.gov/cgi-bin/getrpt?GAO-07-546.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Paul L. Francis at (202) 512-4841 or francisp@gao.gov.

DEFENSE ACQUISITIONS

Status and Challenges of Joint Forces Command's Limited Acquisition Authority

What GAO Found

JFCOM has not approved any LAA projects since GAO's November 2005 report, and the LAA project that was incomplete as of then remains so. The projects generally fall under the category of battle management command, control, communications, and intelligence. Research funding provided for the six LAA projects has risen from \$9 million in 2005 to \$14 million as of January 2007. No procurement funds had been used for these projects as of then. Feedback from the projects' recipients—the warfighter—has been mostly positive about the LAA acquisition process and capabilities delivered.

The Department of Defense (DOD) and JFCOM face several LAA challenges, one of which goes to the role of LAA. Shortly after LAA's enactment, the Deputy Secretary of Defense created the JRAC to provide timely solutions for joint urgent warfighter needs. GAO analysis indicates that JRAC and JFCOM LAA cover similar ground and could overlap even more if JRAC is allowed to address needs other than for ongoing named operations. JRAC might have also been able to carry out most, if not all, of the six LAA projects had it existed when they were approved by JFCOM. The following table shows key aspects of the two processes.

Key Aspects of JFCOM LAA and JRAC Rapid Acquisition Current Processes

	JFCOM LAA	JRAC
Is it to address joint urgent needs?	Yes	Yes
In what time frame are needs to be met?	Within 2 years	Within 2 years
Can solution already be in development?	Yes	Yes
Must the need be for an ongoing, named operation?	No	Yes
Must the need be to prevent loss of life or mission failure?	No	Yes
Is the need to be submitted by a combatant commander?	Yes	Yes
Is there a dollar limit per project for research funding?	Yes, estimated to be less than \$10 million	Yes, \$365 million or less in fiscal year 2000 dollars
Is there a dollar limit per project for procurement funding?	Yes, estimated to be less than \$50 million	Yes, \$2.19 billion or less in fiscal year 2000 dollars

Source: GAO analysis of JFCOM LAA and JRAC processes.

Other challenges relate to how LAA is managed and operated. JFCOM officials said funding remains an issue because LAA is an authority without budgeted funds. JFCOM LAA staff tries to find funding for approved projects from other DOD organizations. When funding could not be found, JFCOM funded most of the six LAA projects with funds budgeted for other JFCOM work. The search for funding lengthens the time to get capabilities to the warfighter. JRAC does not have budgeted funds either, but has greater access to funding than JFCOM. Another challenge involves uncertainty between JFCOM and the Office of the Secretary of Defense regarding what LAA powers were delegated to JFCOM. Until the uncertainty is resolved, how JFCOM should carry out LAA efforts will remain unclear.

Contents

Letter	1
Results in Brief	2
Background	4
No JFCOM LAA Projects Approved since Prior GAO Report	5
DOD and JFCOM Face Several Challenges with LAA	11
Conclusions	20
Recommendations for Executive Action	21
Matter for Congressional Consideration	21
Agency Comments	21

Appendix I	Scope and Methodology	23
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Appendix II	Comments from the Department Of Defense	25
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Tables	
Table 1: JFCOM LAA Proposals Received and Approved by Fiscal Year since LAA Was Enacted	6
Table 2: Status of Six Approved LAA Projects	7
Table 3: Warfighter Feedback from GAO Questionnaire about LAA Projects	9
Table 4: GAO Analysis of Key Aspects of the LAA and JRAC Rapid Acquisition Current Processes	11

Abbreviations

DOD	Department of Defense
JFCOM	U.S. Joint Forces Command
JRAC	Joint Rapid Acquisition Cell
LAA	limited acquisition authority

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United States Government Accountability Office
Washington, DC 20548

April 12, 2007

The Honorable Carl Levin
Chairman
The Honorable John McCain
Ranking Minority Member
Committee on Armed Services
United States Senate

The Honorable Ike Skelton
Chairman
The Honorable Duncan L. Hunter
Ranking Minority Member
Committee on Armed Services
House of Representatives

In fiscal year 2004, Congress provided statutory authority by which the Secretary of Defense may delegate limited acquisition authority (LAA) to the U.S. Joint Forces Command (JFCOM) to enable the commander to develop and acquire certain equipment to meet joint warfighting needs. The authority, which does not come with associated funding, was enacted for a 3-year period through September 30, 2006. When LAA was enacted, Congress directed GAO to report on JFCOM's implementation of LAA. Our report, issued in November 2005,¹ stated that during fiscal years 2004 and 2005, JFCOM had undertaken six LAA projects, five of which had been completed and a sixth that was ongoing. We also reported that JFCOM faced challenges, including finding funding to develop, acquire, and sustain LAA projects. Since then, Congress has extended LAA² through the end of September 2008. As part of that extension, Congress directed us to report again this year on JFCOM's implementation of LAA. As agreed with your staff, we provided briefings in December 2006 and January 2007 to satisfy that requirement. We also agreed to provide a subsequent written

¹GAO, *Defense Acquisitions: Joint Forces Command's Limited Acquisition Authority*, [GAO-06-240R](#) (Washington, D.C.: Nov. 22, 2005).

²The first LAA statute was enacted under the National Defense Authorization Act for Fiscal Year 2004 (Pub. L. No. 108-136 Div. A, section 848, Nov. 24, 2003). The extension was enacted under the National Defense Authorization Act for Fiscal Year 2006 (Pub. L. No. 109-163 Div. A, section 846, Jan. 6, 2006).

report. Accordingly, this report updates the (1) status of JFCOM's LAA efforts since the authority was enacted and (2) key challenges facing LAA's continued implementation.

To address these objectives, we obtained and analyzed key documents and interviewed officials from a variety of Department of Defense (DOD) organizations. To describe JFCOM's LAA efforts since the authority was enacted, we met with JFCOM officials in Norfolk, Virginia, and collected relevant documentation. We developed and used a questionnaire to obtain feedback from warfighters who had been involved with LAA projects and used LAA capabilities in Iraq, Afghanistan, and countries in Europe. We interviewed military officials at military facilities in Florida, Massachusetts, New Jersey, North Carolina, Virginia, and Pennsylvania. To identify key challenges since LAA's enactment, we interviewed JFCOM officials, officials representing three organizations within the Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics), other officials in the Office of the Secretary of Defense, Joint Staff/J-8 officials, and officials from the Army Rapid Equipping Force about the Army's rapid acquisition process. We examined pertinent information about the Joint Rapid Acquisition Cell (JRAC), a rapid acquisition process recently created within the Office of the Secretary of Defense. However, we did not conduct an in-depth evaluation of JRAC or the JRAC process. We also obtained and analyzed various documents and interviewed officials about JFCOM LAA's policy and procedures and communicated with warfighters, contracting personnel, and officials with selected project offices about challenges with LAA. For additional details on how we performed our review, see appendix I. We conducted our work from July 2006 to March 2007 in accordance with generally accepted government auditing standards.

Results in Brief

JFCOM has not approved any new LAA projects since our November 2005 report was issued. The LAA project that was ongoing at that time remains ongoing, with additional development remaining. It is unclear why LAA activity has slowed down recently, although a JFCOM LAA official attributed the slowdown, in part, to the lack of associated funding for LAA. Funding otherwise obtained for the six approved LAA projects totaled \$14 million in research, development, test, and evaluation funds as of January 2007—up from \$9 million in 2005. No procurement funds had been used for these projects as of January 2007. JFCOM officials believe that LAA has been beneficial. Rather than have warfighters wait for “100 percent” solutions, JFCOM delivered interim joint solutions more quickly to meet urgent needs. We contacted recipients of capabilities for

the five completed projects; the recipients who responded for four projects cited a positive experience using the LAA process and with the utility and effectiveness of the delivered capabilities. Also, DOD officials stated that LAA has been valuable in the war on terror.

DOD and JFCOM face several challenges with LAA's continued implementation. One challenge goes to the role of LAA. Specifically, the goals of JFCOM's LAA efforts share a number of similarities with those of the Office of the Secretary of Defense-created JRAC, which came into existence within 10 months of JFCOM's LAA. Both the JFCOM LAA and JRAC processes seek to provide timely solutions for joint urgent warfighter needs. It is conceivable that most, if not all, of the six LAA projects could have been carried out through JRAC. Other challenges go to the mechanics of LAA itself. It is an authority, not an acquisition program, and comes with no budgeted funds. Although JRAC does not have budgeted funds either, it has greater access to funding than JFCOM. The JFCOM LAA staff has sometimes invested substantial amounts of time to obtain funding for the projects. Finding funding adds to the time it takes to get new capabilities to the warfighter. In the end, most of the funding to develop and acquire the first six projects came from JFCOM's own non-LAA budget, which does not provide for any LAA needs. Furthermore, after an LAA capability is delivered, an obligation arises to pay for sustaining it over time, but the LAA statute does not specifically provide authority to use operations and maintenance funding to sustain such projects. Another challenge to the mechanics of LAA involves uncertainty as to the exact nature of the LAA delegation to JFCOM by the Office of the Secretary of Defense. Specifically, while it is clear that a full delegation of LAA was not made under the statute, it is unclear exactly what powers were delegated to JFCOM and under which legal authorities—the LAA statute or other authorities available to the Secretary of Defense—those powers were provided. Failure to clarify these issues may impair JFCOM's ability to carry out LAA efforts. Last, since our prior report, JFCOM has established procedures to systematically assess the effectiveness of capabilities fielded from LAA projects, but with no LAA projects approved since then, the procedures have not yielded additional data.

We are making recommendations to the Secretary of Defense to reassess the role of the JFCOM LAA in light of the expanding JRAC process, and determine whether and how JFCOM LAA should play a role in meeting joint urgent needs; to the extent JFCOM LAA is to continue to play a role in meeting joint urgent needs, assess and resolve, as appropriate, the funding, coordination, and delegation challenges identified in this report; and inform Congress of the results of the assessment and any resultant

decisions in time for Congress to consider them in its deliberations on the National Defense Authorization Act for Fiscal Year 2008.

In written comments on a draft of this report, DOD concurred with our recommendations. DOD stated that it would reassess the role of JFCOM LAA in light of the expanding JRAC process and consider the other issues identified in this report as a part of that effort. DOD expects to complete that reassessment by the fourth quarter of 2007. DOD also stated that it would inform Congress of the result of that assessment and any associated decisions.

In light of our recommendations, DOD's comments, and the fact that DOD has provided Congress with a fiscal year 2008 legislative proposal that would make the LAA statute permanent, we have added a matter for congressional consideration to this report because we believe that Congress might want to delay its consideration of making JFCOM LAA permanent until DOD has informed Congress of the results of the recommended assessment and any associated decisions. This should not impair JFCOM LAA, as DOD plans to complete its assessment by the fourth quarter of 2007 and LAA, as currently enacted, extends through September 2008.

Background

JFCOM is one of nine DOD combatant commands and has multiple missions, including leading joint force transformation within DOD with the aid of joint warfighting concepts and capabilities to enhance interoperability for the combatant commands. The National Defense Authorization Act for Fiscal Year 2004 granted LAA to JFCOM, subject to delegation by the Secretary of Defense. The intent behind this LAA is to address measures to meet urgent, unanticipated joint warfighting needs are conceived, developed, and fielded in an expeditious manner. The LAA statute specifically refers to equipment for the following purposes:

- battle management command, control, communications, and intelligence;
- any other equipment that the JFCOM commander determines is necessary and appropriate to facilitate the use of joint forces in military operations or enhance the interoperability of equipment used by the various components of joint forces.

The statute limits the equipment to total expenditures per system estimated to be less than \$10 million for research, development, test, and evaluation, or estimated to be less than \$50 million for procurement.

DOD's traditional acquisition process, which involves much larger budgets and longer time frames, generally serves to meet less immediate, material warfighter needs, that is, 2 years and beyond. Frequently, more urgent needs arise, and several rapid acquisition processes are available to handle such needs. JFCOM's LAA is one of these processes. Another is a process defined in Chairman of the Joint Chiefs of Staff Instruction 3470.01,³ which is principally managed by JRAC. Like JFCOM's LAA, the JRAC process addresses joint, urgent needs. Each military service has its own rapid acquisition process, but those processes focus on addressing the urgent needs of each respective service, and may not address the joint needs of the combatant commands. In addition, the Joint Improvised Explosive Device Defeat Organization⁴ and the U.S. Special Operations Command⁵ have their own acquisition processes.

No JFCOM LAA Projects Approved since Prior GAO Report

Very little has changed with regard to usage of JFCOM's LAA since our November 2005 report was issued. It is not clear why the activity on LAA has slowed down during the past 19 months, although JFCOM officials believe one of the reasons is due to the fact that the authority does not have associated funding. Combatant commands are dissuaded from using LAA when they find out JFCOM does not already have funding and must obtain it for LAA projects, according to a JFCOM LAA official. Since LAA's enactment over 3 years ago, JFCOM has received 12 LAA proposals and approved 6. Table 1 summarizes the number of proposals received and approved since LAA's enactment.

³Chairman of the Joint Chiefs of Staff Instruction (CJCSI) 3470.01, Rapid Validation and Resourcing of Joint Urgent Operational Needs (JUONs) in the Year of Execution, July 15, 2005.

⁴DOD Directive Number 2000.19E, Joint Improvised Explosive Device Defeat Organization (JIEDDO), February 14, 2006.

⁵See Chairman of the Joint Chiefs of Staff Instruction (CJCSI) 3470.01, Rapid Validation and Resourcing of Joint Urgent Operational Needs (JUONs) in the Year of Execution, Enclosure A, July 15, 2005.

Table 1: JFCOM LAA Proposals Received and Approved by Fiscal Year since LAA Was Enacted

Fiscal year	Proposals received	Proposals approved
2004	5	2
2005	3	4 ^a
2006	4	0
2007 (through 1/2007)	0	0
Total	12	6

Source: JFCOM data and GAO analysis.

^aOne LAA proposal that was received in fiscal year 2004 was not approved until fiscal year 2005.

JFCOM has not received any LAA proposals so far in fiscal year 2007. In fiscal year 2006, JFCOM received four proposals—three are still under consideration and one was referred to JRAC. Fifteen months have elapsed since one of the proposals was submitted, but the JFCOM commander has not yet decided whether to accept or reject it. JFCOM merged two other LAA proposals because they involved the same requested need by two combatant commands. Although these two proposals were submitted in October 2005 and March 2006, they have not been approved because JFCOM officials have been trying to settle on a solution that will be compatible with several other non-LAA-related DOD efforts. These particular proposals are needed to enable exchange of secure, but unclassified, information between U.S. and coalition forces. JFCOM forwarded the remaining LAA proposal to JRAC, which approved it as a JRAC project. Fielding of this capability began in October 2006. In fiscal year 2004, JFCOM rejected two LAA proposals, in part because no combatant command would validate them as joint urgent operational needs.

Of the six approved LAA projects in fiscal years 2004 and 2005, five were completed and deployed from 2 to 17 months after having been approved. A sixth project is ongoing with additional development remaining. The total funding obtained for the six projects has increased from \$9 million in research, development, test, and evaluation funds in 2005 to \$14 million through January 2007. No procurement funds had been used as of January 2007, although the ongoing speech translation project has identified a need for procurement funding. U.S. Central Command has been the predominant recipient of LAA capabilities—the command received capabilities from five of the six projects. According to JFCOM, the LAA projects accelerated the provision of capabilities to the warfighter by providing 60 to 80 percent interim solutions for battlefield problems,

rather than having the warfighter wait years longer for a 100 percent solution. Table 2 summarizes key information about the six projects.

Table 2: Status of Six Approved LAA Projects

Status	LAA project name					
	Change Detection Work Station	Command and Control on the Move	Joint Precision Air Drop System 2,000 Pounds	Joint Task Force Commander Executive Command and Control	Joint Blue Force Situational Awareness ^a	Simultaneous 2-Way Speech Translation
Capability	Land mine and improvised explosive device detection along convoy routes by using visual imagery	Broadband communication for commanders while moving over rough terrain or dismounted from a vehicle	High-altitude air drop of logistics support packages where ground delivery or an airfield is not available	Remote access to classified and unclassified networks while away from the headquarters compound	Transfer and integration of blue force tracking data from battle management, command and control systems to strike aircraft	Hands-free device for simultaneous translation of American English to Iraqi Arabic and vice versa
LAA-related cost (research, development, test, and evaluation dollars)	\$550,000	\$1.95 million	\$2.19 million	\$850,000	\$3.38 million	\$5.3 million
Months to complete and field ^b	5-11	11-14	16-17	4-15	2-5	Initial fielding in 8-12; project is ongoing
Recipient/ command	U.S. Central Command	U.S. Central Command first received it, but decided not to field it; U.S. Special Operations Command now has portions of the capability	U.S. Special Operations Command	U.S. Central Command and U.S. European Command	U.S. Central Command	U.S. Central Command

Source: JFCOM data and GAO analysis.

^aThe full name is Joint Translator Forwarder—Rapid Attack Information Dissemination Execution Relay—Joint Blue Force Situational Awareness.

^bThe range of months reflects when the initial units of the capability were fielded through the time when fielding was completed.

In response to a GAO questionnaire directed at recipients of JFCOM LAA capabilities, warfighters generally provided positive feedback about the

process that JFCOM developed and implemented for LAA projects. We contacted recipients of the capabilities for the five completed projects and recipients responded for four projects. Recipients of three capabilities used them in operational missions and were pleased with their effectiveness. Three recipients said they would use JFCOM LAA again. We did not receive feedback from the recipient of the Joint Precision Air Drop System project, and we did not send the questionnaire to the recipient of the Simultaneous 2-Way Speech Translation project, as it is not yet complete. Table 3 summarizes the questionnaire's results.

Table 3: Warfighter Feedback from GAO Questionnaire about LAA Projects

GAO's questions	LAA project name			
	Change Detection Work Station	Command and Control on the Move ^a	Joint Blue Force Situational Awareness ^b	Joint Task Force Commander Executive Command and Control
Was adequate training provided to use the LAA capability?	Yes	Not applicable, capability not yet fielded	Yes	Yes
Were you satisfied with JFCOM's LAA process?	Yes	Yes	Yes	Yes
Were you satisfied with the time it took to obtain the capability?	Yes	Yes, LAA reduced the time to get to operational testing by 6-12 months	Yes, LAA provided the fastest procurement of this system	Yes
Were you prepared to sustain the capability?	Yes	Not applicable, capability not yet fielded	Yes	No
Was the capability used operationally?	Yes, used it daily for several months	Not applicable, capability not yet fielded	Yes, used it 24 hours a day, 7 days a week to support global forces	Yes, used it as often as four times a week
Was the capability operationally effective?	Yes, it did what it was supposed to do, but not what recipient wanted it to do	Not applicable, capability not yet fielded	Yes, very effective	Yes, it's top-notch
What were the advantages of using LAA?	Allowed rapid pursuit of the most promising technology to meet the need	LAA's speed and ease of ordering greatly accelerated testing the capability	Without LAA, the capability would not have been used operationally	LAA streamlined the budget process and rapidly provided a much-needed capability
Would you use LAA again?	Person filling out questionnaire said he was not in a position to answer at that time	Yes, most likely	Yes, most definitely	Yes, without hesitation

Source: Warfighters (data); GAO (presentation and analysis).

^aThe information is from the second recipient of the capability; the first recipient decided not to field it.

^bThe full name is Joint Translator Forwarder-Rapid Attack Information Dissemination Execution Relay-Joint Blue Force Situational Awareness.

Separate from the questionnaire, in February 2007, DOD sent a fiscal year 2008 legislative proposal to Congress requesting that the LAA statute be made permanent and that the statute add the authority to use operations and maintenance funds for sustainment of equipment after its acquisition. In that proposal, DOD stated that LAA has been invaluable in the war on terror.

JFCOM officials continue to manage LAA using a multi-phased process they developed and formalized in July 2005 and revised in June 2006.⁶ JFCOM has drawn on mature technologies for its LAA projects. Half of the LAA approved projects originated from existing joint technology demonstration programs. According to JFCOM, LAA projects also can originate from commercial and government off-the-shelf products. An important part of the LAA process is to make sure the desired capability does not duplicate capabilities under development elsewhere in DOD or that are part of an existing program of record. The requested capability can, however, accelerate such capabilities. Within the LAA process, JFCOM conducts feasibility assessments, including procedures to identify related efforts throughout DOD. One effort to avoid duplication involves the JFCOM science advisers. Each of the military services has a science adviser at JFCOM who checks with the Defense Technical Information Center, a repository of technical information in DOD. Another effort involves a JFCOM official who coordinates with the Program Executive Office Interchange—an initiative that supports Air Force, Army, Marine Corps, and Navy command and control program executive offices—to find out if any similar efforts exist in the services. Also, JFCOM LAA officials said they plan to coordinate with JFCOM's Office of Research and Technology Applications to use an online DOD system to research all existing programs of record.

JFCOM does not have dedicated acquisition staff for LAA projects. Instead, JFCOM has a staff of one full-time and two part-time employees, who broker and facilitate the projects. For contracting and acquisition services, JFCOM relies on others within DOD. The Under Secretary of Defense (Acquisition, Technology, and Logistics) has directed five acquisition organizations from the military services and a defense agency to provide assistance in development and acquisition to JFCOM LAA on a priority basis. However, JFCOM indicated it is not limited to using only these five.

⁶The JFCOM LAA acquisition process consists of multiple phases that can be tailored to meet requests as expeditiously as possible. The phases are proposal receipt, feasibility assessment, proposal review and approval, locating and obtaining funding, contracting, and project execution. Descriptions of these phases are in our November 2005 report.

DOD and JFCOM Face Several Challenges with LAA

DOD and JFCOM face several challenges in continuing to implement LAA—one challenge goes to the role of LAA and the other challenges deal with how LAA is managed and operated.

Two Rapid Acquisition Processes Address Similar Joint Needs

Ten months after Congress enacted the JFCOM LAA statute, the Deputy Secretary of Defense created JRAC to manage a process that also addresses the joint, urgent operational needs of combatant commanders. The two processes cover similar ground, and given that the JRAC process is expected to be expanded soon, they could overlap even more. Table 4 shows our analysis of the similarities in the two processes.

Table 4: GAO Analysis of Key Aspects of the LAA and JRAC Rapid Acquisition Current Processes

GAO's analytical questions about key aspects of the two processes	JFCOM LAA	JRAC
Is it to address joint needs?	Yes	Yes
Is it to address urgent needs?	Yes	Yes
In what time frame are needs to be met?	Within 2 years	Within 2 years
Can the solution be currently in development?	Yes, most of the approved projects use technologies assessed at high readiness levels	Yes, most of the approved projects use technologies assessed at high readiness levels
Must the need be related to an ongoing, named operation?	No	Yes, currently, but change under consideration
Must the need be immediate to prevent loss of life or mission failure?	No	Yes
Is the need to be submitted by a combatant commander?	Yes. However, the JFCOM commander can initiate a project to meet a need he identifies; for example, the commander initiated three of the six LAA projects, while other combatant commanders validated the needs for the other three projects	Yes
Is there a limit for research, development, test, and evaluation expenditures per system?	Yes, the expenditure must be estimated to be less than \$10 million	Yes, the expenditure must be \$365 million or less in fiscal year 2000 dollars
Is there a limit for procurement expenditures per system?	Yes, the expenditure must be estimated to be less than \$50 million	Yes, the expenditure must be \$2.19 billion or less in fiscal year 2000 dollars

Source: GAO analysis of JFCOM LAA and JRAC processes.

In September 2004, when the Deputy Secretary of Defense created JRAC, he stated that the war on terror and recent experiences with Iraqi Freedom and Enduring Freedom (in Iraq and Afghanistan) highlighted the

institutional challenges that DOD faces in providing timely, integrated solutions to the warfighter. He said that all too often, DOD organizations have been reluctant to take advantage of the authority and flexibility that Congress has given them to meet many of these needs. To break through institutional barriers to providing timely, effective support, the Deputy Secretary directed the Under Secretary of Defense (Acquisition, Technology, and Logistics) and the Under Secretary of Defense (Comptroller) to establish JRAC, whose mission is to facilitate meeting urgent material and logistics requirements that combatant commanders certify as operationally critical. He also directed the Joint Staff, combatant commands, and each of the military services to provide a single point of contact with appropriate authority to make commitments of support from the respective organizations to JRAC projects. These individuals are expected to be thoroughly proficient in their own organization's processes as well as empowered to make rapid decisions within the scope of JRAC's mission. According to JRAC officials, the JRAC process was initiated instead of using the JFCOM LAA process because the Deputy Secretary of Defense believed he needed an agent at the highest level of DOD, with sufficient visibility and flexibility, to ensure that urgent warfighter needs are quickly met.

In July 2005, the Chairman of the Joint Chiefs of Staff issued Instruction 3470.01 to formalize the JRAC process for rapidly validating and providing resources for joint, urgent operational needs in the year of project execution. This instruction, among other things, established policy and procedures to facilitate assessment, validation, sourcing, resourcing, and fielding of operationally driven urgent, combatant command needs in the year of execution. Generally, these needs are considered life- or combat mission-threatening, based on unforeseen military requirements that must be resolved in days, weeks, or months. These needs must also be considered inherently joint in nature, that is, theaterwide combatant command needs spanning multiple services. Instruction 3470.01 states that the JRAC process is not intended to replace the decision-making processes in DOD's traditional acquisition system, nor is it designed to compete with any of the military services' or Joint Staff's processes, but to complement them. However, our analysis indicates that the JRAC process overlaps with JFCOM's LAA process.

As of April 2007, JRAC had completed 24 projects worth a total of \$335.5 million, including biometrics identification, jammers, signals intelligence, and satellite communication systems. Three JRAC projects touched on similar needs addressed by JFCOM LAA projects—foreign

language translation, blue force tracking, and joint precision air drop. The JRAC also had 1 other project, totaling \$10.0 million, under consideration.

One of the two main differences between the JFCOM LAA and JRAC processes relating to the nature of the need may soon change. According to a Joint Staff official, Instruction 3470.01 is being revised and is not expected to retain the requirement that the joint urgent operational need be for an ongoing named operation. If this particular requirement is eliminated, the JFCOM LAA and JRAC processes will overlap even more. The revised instruction is expected to be finalized in spring 2007.

Within this environment of competing joint rapid acquisition processes, DOD has not established clear procedures or factors to take into account to help combatant commands determine which process to use—JFCOM LAA or JRAC. Although JFCOM LAA officials sit on JRAC's advisory group, and some coordination takes place, Instruction 3470.01 does not specify steps for coordinating between the two processes, and JFCOM's LAA procedures do not specifically call for coordinating with JRAC. Exemplifying the need for coordination, we analyzed the six approved LAA projects and concluded that JRAC might have also been able to accomplish most, if not all, of them. Following is the basis for our conclusions. The first five projects listed below were approved on or before the date Instruction 3470.01 came into existence.

- **Change Detection Work Station:** JFCOM officials told us this LAA project would have met JRAC's criteria for a project because it clearly was for an immediate warfighter need.⁷
- **Command and Control on the Move:** JFCOM officials said this LAA project would not have met JRAC criteria for an immediate warfighter need. However, we believe the project might have been justified under the JRAC criterion of preventing mission failure if a regional combatant command had submitted it as an immediate need. For example, if a joint task force commander cannot adequately communicate with the troops while on the move or

⁷In Instruction 3470.01, an immediate warfighter need is defined as a subset of joint urgent operational needs, so designated by JRAC, which have a materiel or logistics solution that must be resolved within 120 days or less. The instruction states that this special category will confirm an added emphasis on the timely resolution of this urgent operational need and enhanced visibility to the Office of the Secretary of Defense and the Deputy Secretary of Defense. According to JRAC officials, their interpretation is that a solution for the immediate warfighter need is to be developed in less than 120 days, which can be delivered to the warfighter in less than 2 years.

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- dismounted from a vehicle, this could lead to mission failure. In this case, the JFCOM commander validated the need as an LAA project.
- **Joint Precision Air Drop System 2,000 Pounds:** This LAA project met JRAC's criteria as an immediate warfighter need because once JRAC came into existence, JRAC obtained funding for the project from the Air Force on JFCOM's behalf.
 - **Joint Task Force Commander Executive Command and Control:** JFCOM officials said this project would not have met JRAC's criteria of responding to a combat fatality or preventing mission failure. However, we believe it might have been justified under the JRAC process to prevent mission failure due to the importance for a joint task force commander to have remote access to classified and unclassified networks while away from the headquarters compound.
 - **Joint Blue Force Situational Awareness:** JFCOM officials said JRAC could have taken on this project because it was to meet a joint, urgent operational need that may have met the criteria as an immediate warfighter need.⁸
 - **Simultaneous 2-Way Speech Translation:** Although JRAC was in place when JFCOM approved this LAA project, JFCOM officials said JRAC provided most of the funding and took over the project after it was approved as an LAA project.

For background purposes, the JFCOM LAA and JRAC processes are not the only two rapid acquisition processes addressing urgent warfighter needs within DOD. The military services have their own processes. However, they differ from the JFCOM LAA and JRAC processes in that the services' processes focus on service-specific needs, not joint needs. For example, the Army Rapid Equipping Force began in fiscal year 2002 and was formalized in March 2005.⁹ Its missions include rapidly equipping operational forces to enhance mission capability and soldier safety, inserting promising technologies into the current force, and providing business process feedback to Army stakeholders. This process provides commercial and government off-the-shelf solutions for urgent needs, takes an average of 128 days to deliver an initial operational capability from the time the request is received, and funds up to 2 years of sustainment when

⁸The full name is Joint Translator Forwarder–Rapid Attack Information Dissemination Execution Relay–Joint Blue Force Situational Awareness. JFCOM LAA funded the Joint Blue Force Situational Awareness equipment.

⁹Department of the Army Memorandum for Director, Rapid Equipping Force, March 10, 2005, Concept Plan to Establish the Rapid Equipping Force (REF).

appropriate. In fiscal year 2006, the Rapid Equipping Force had a budget of over \$135 million and, since inception, has provided 227 types of equipment, totaling over 51,000 individual items, for the war on terror.

The Joint Improvised Explosive Device Defeat Organization addresses joint urgent warfighter needs, but its mission specifically focuses on supporting the efforts of combatant commanders and their task forces in defeating improvised explosive devices. Originally established in June 2005 as a task force, it was changed to an organization in January 2006, and operates under the authority, direction, and control of the Deputy Secretary of Defense. An official in the organization said it generally fields capabilities to the warfighter from 6 to 12 months after a request is approved, and funds up to 2 years of sustainment once fielded. In fiscal year 2006, the Joint Improvised Explosive Device Defeat Organization's budget was \$3.49 billion.

The U.S. Special Operations Command has its own acquisition process as well, including a process for rapid acquisitions.¹⁰ The Special Operations Command process differs from the LAA and JRAC processes in that it is oriented only toward developing and acquiring capabilities for warfighters conducting special operations, and comes with associated funding in the DOD budget. Due to the variety of DOD rapid acquisition processes, coordination can help to prevent duplication of effort and enhance knowledge sharing and resource investment.

JFCOM Experiences Complications with Funding, Delegation, and Analysis of Projects' Usefulness

Finding Funding for LAA Projects Continues to Be Challenging

Finding funding to develop, acquire, and sustain LAA projects was identified as a challenge in our prior report and remains so. Because LAA is an authority, not a program, LAA does not have budgeted funds. After an

¹⁰See Chairman of the Joint Chiefs of Staff Instruction (CJCSI) 3470.01, Rapid Validation and Resourcing of Joint Urgent Operational Needs (JUONs) in the Year of Execution, Enclosure A, which refers to the U.S. Special Operations Command Directive 71-4, Combat Mission Need Statement (CMNS) Process.

LAA project is approved, JFCOM LAA staff must obtain funding for it. JFCOM officials have to either find other DOD organizations to pay for LAA projects or pay for them with funds budgeted for other JFCOM work. For example, JFCOM sought and obtained funds from the Naval Air Warfare Center Weapons Division, China Lake, California, for the Change Detection Work Station project. JFCOM officials said the search for funding can take 40 to 50 percent or more of the time it takes to process an LAA project. While this keeps projects austere, the long search delays getting new capabilities to warfighters in the field. When locating funding to develop and acquire¹¹ a project proved especially difficult, JFCOM funded all or part of it by offsetting funds from programs in JFCOM's non-LAA budget, which does not include any budgeted LAA funds. JFCOM has provided over half of the total funding to develop and acquire the six approved LAA projects. However, a JFCOM official expressed that JFCOM is reluctant to continue using its non-LAA program funding because of adverse effects on those programs. Conversely, JRAC does not have as much difficulty obtaining funding for its projects even though it does not have budgeted funds either. A JRAC official said a senior executive in the Office of the Under Secretary of Defense (Comptroller) is the deputy director of JRAC, and pointed out that this aids in identifying and obtaining available funding throughout DOD. Furthermore, according to JRAC officials, DOD recognized the need for increased financial resources and flexibility for urgent warfighter needs because JRAC's accomplishments have been attributable to improved access to resources. The officials stated that the Office of the Secretary of Defense intends to expand on past lessons and institutionalize a budget approach with an annual transfer account specifically designed to fulfill urgent warfighting needs.

After a capability has been acquired, an obligation for sustainment is created. The LAA statute does not specifically provide the authority to sustain a product—that is, use operations and maintenance funding—after deployment, although JFCOM officials believe they can provide this support under certain circumstances. To address such needs, JFCOM tries to identify another DOD organization to adopt the LAA capability for long-term sustainment. JFCOM officials commented that the timing of the DOD budget cycle is a primary factor for organizations in dealing with the sustainment issue for LAA-fielded projects. The officials said that because

¹¹In this case, the term acquire relates to items that were acquired with research, development, test, and evaluation funds, as opposed to procurement funds.

LAA capabilities are acquired rapidly to respond to urgent and emergent needs and typically fall outside the time frames of the normal DOD budgeting cycle, finding an organization to sustain an LAA project sometimes proves difficult. For example, for one LAA project, JFCOM resorted to using its own operations and maintenance funds to provide short-term sustainment during the “bridge” period while the project was awaiting adoption by another organization. JFCOM’s LAA policy allows it to fund sustainment of a project for up to 2 years from the time the project is approved. However, JFCOM officials believe that using JFCOM’s operations and maintenance funds for LAA projects is only permitted under certain conditions. Specifically, the officials said the lack of an operations and maintenance provision in the LAA statute only allows the use of JFCOM operations and maintenance funds to sustain an LAA capability if that mission is compatible with a pre-existing JFCOM mission. When DOD recently sent a legislative proposal to Congress requesting that the LAA statute be made permanent, it also asked that the statute be revised to allow the use of operations and maintenance funding for LAA projects.

To address the overall funding challenges, JFCOM recently approached the Office of the Secretary of Defense (Director, Defense Research and Engineering) about obtaining funding for LAA projects. Although officials from both offices said there is no statutory restriction on including a funding line for LAA in the DOD budget, JFCOM officials said they have been unsuccessful in obtaining LAA funding in the past because building a justifiable budget request 1 to 2 years in advance, which is the norm within the DOD budgeting process, is very difficult for specific urgent warfighter needs that come up unexpectedly. According to JFCOM officials, the current discussions for funding assistance include the use of reprogrammings by the Office of the Secretary of Defense on JFCOM’s behalf.

Delegation of LAA to JFCOM Is Unclear

Uncertainties exist as to the exact nature of the Office of the Secretary of Defense’s delegation of LAA to JFCOM. Specifically, it is unclear exactly what powers were delegated to JFCOM and under what authorities—that is, the LAA statute or other authorities available to the Secretary of Defense. Failure to clarify these issues may impair JFCOM’s ability to carry out LAA efforts. To understand the current situation requires briefly revisiting LAA’s origins.

As originally envisioned by the Senate bill, LAA’s enactment would have required the Secretary of Defense to delegate LAA to the JFCOM commander. Prior to enactment, however, the language was changed to

give the Secretary discretion about whether to delegate the authority. The provision for LAA in the fiscal year 2004 Senate National Defense Authorization Bill included language that the Secretary of Defense “shall delegate” LAA to the commander of the unified combatant command for joint warfighting experimentation (currently, JFCOM). The fiscal year 2004 House National Defense Authorization Bill had no provision for LAA. In conference, the House receded with an amendment that changed the language of the Senate bill from “shall delegate” to “may delegate,” thus providing the Secretary of Defense with the discretion to delegate LAA authority to JFCOM. The LAA statute, as enacted, provides that the Secretary of Defense may delegate to the [JFCOM] commander authority of the Secretary “sufficient to enable the commander to develop and acquire” certain described equipment.

The Secretary of Defense has not provided JFCOM a document specifically citing delegation of LAA, in part or in whole. Rather, in June 2004, the acting Under Secretary of Defense (Acquisition, Technology, and Logistics) issued an acquisition assistance memorandum to the Secretaries of the Military Departments, the Chairman of the Joint Chiefs of Staff, the Commander of JFCOM, and the Directors of the Defense Agencies directing that, “consistent with” the LAA statute (10 U.S.C. 167a), the JFCOM commander be provided assistance “in developing and acquiring the urgent requirements of the Combatant Commanders” for the same types of equipment as described in the LAA statute. The memo further stated that it did not apply to the development or acquisition of a system for which the total research, development, test, and evaluation expenditure is estimated to be \$10 million or more or for which the total procurement expenditure is estimated to be \$50 million or more—again using the same language as the LAA statute. To help JFCOM carry out its efforts, the memorandum identified five service and defense agency contracting activities to provide services to JFCOM on a priority basis. The memorandum was to be in effect until September 30, 2006, when LAA was originally to expire. When Congress extended LAA for 2 years in the fiscal year 2006 National Defense Authorization Act, the Under Secretary of Defense issued a new acquisition assistance memorandum with the same language as the original one but with extended coverage until September 30, 2008.

JFCOM officials view the LAA statute as consisting of four powers that could be delegated. Specifically,

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- the power that expanded JFCOM's mission to allow it to acquire capabilities for other combatant commands using research, development, test, and evaluation and procurement funds;
 - the power to influence the DOD requirements process;
 - the power to influence the DOD planning, programming, budgeting, and execution process; and
 - the power to sign contracts to develop and acquire LAA systems, that is, to have warranted contracting officer authority.

In our discussions, JFCOM and Office of the Secretary of Defense officials agreed that a full delegation of LAA was not made. Specifically, they agreed JFCOM was not delegated the power to sign contracts for LAA projects, that is, warranted contracting officer authority. JFCOM did not see this power as practical given the limited duration of LAA. Specifically, JFCOM officials stated that JFCOM did not want to set up an infrastructure for warranted contracting officers because it would have taken up most of the initial, limited 3-year term of LAA, which would have slowed down the command's ability to meet urgent warfighter needs as rapidly as possible. As a result, in lieu of JFCOM's having been provided warranted contracting officer authority, the acquisition assistance memorandum provided for other organizations to provide contracting assistance for LAA projects on JFCOM's behalf. The Office of the Secretary of Defense and JFCOM officials agreed the acquisition memorandum provided JFCOM with the powers to influence the requirements process and the planning, programming, budgeting, and execution process. It is not clear, however, under what authorities—the LAA statute or other authorities available to the Secretary of Defense—these powers were provided, as the acquisition memorandum does not specify these powers or their delegation under the LAA statute. During the course of our review, Office of the Secretary of Defense officials stated that the Secretary of Defense had the authority outside of the LAA statute to provide JFCOM with these powers. The officials noted, however, that enactment of the LAA statute was the impetus for providing the acquisition assistance memorandum to JFCOM and, ultimately, the fielding of the LAA capabilities to the warfighter under JFCOM's auspices. By way of comparison, JRAC was established by the Deputy Secretary of Defense without a new statute.

Importantly, there is disagreement between JFCOM and the Office of the Secretary of Defense over whether the acquisition assistance memorandum provided JFCOM with the first power above, that is, to expand JFCOM's mission to allow it to directly acquire capabilities for other combatant commands. Office of the Secretary of Defense officials

JFCOM Is Making Progress in Assessing LAA Projects' Effectiveness

stated that JFCOM was not provided that power under the acquisition assistance memorandum. Rather, they stated JFCOM has been given the power to arrange for other DOD organizations to acquire the capabilities. JFCOM officials said they could not have legally developed and acquired the six LAA capabilities for other combatant commands without the delegation of this power. In the end, the acquisition assistance memorandum is not clear on this issue either because it does not specifically cite this power or how JFCOM is to carry out LAA.

JFCOM has made progress in the past year or so in tracking LAA projects on a quarterly basis. JFCOM officials also said they have solicited information from warfighters on the effectiveness of fielded capabilities, and have received adequate information for some of them. Previously, JFCOM had received anecdotal feedback from warfighters, which was limited in scope and detail. JFCOM also has revised the LAA process, requiring future LAA proposals to include a plan to assess the effectiveness of fielded capabilities and provide regular, written feedback to JFCOM. However, since the revision, no LAA projects have been approved, so the revised process has not yet resulted in additional data.

Conclusions

JFCOM has delivered capabilities under the auspices of LAA, taking promising technologies and spinning them out quickly for joint, urgent needs in the battlefield. Warfighters generally have had positive experiences, not just with the capabilities, but also JFCOM's ability to deliver. On the other hand, no new projects have been approved in the past 19 months, and the creation of JRAC presents warfighters with another avenue for rapidly acquiring similar capabilities. The expected expansion of JRAC's coverage would lessen the remaining differences between the two authorities. Having two processes addressing similar joint urgent needs may have advantages—such as increasing the range of efforts to more rapidly field joint capabilities. However, having two processes also presents risks—such as lack of coordination and duplication of effort—and employing resources efficiently and effectively during wartime is important. Regardless of their similarities, the two processes have a clear imbalance in access to funding. JRAC's access to funding is defined, while JFCOM staff must invest substantial time to find funding for its LAA projects, a fact that works against the purpose of rapidly providing capabilities for urgent needs. Further complicating this joint rapid acquisition picture are the differing views on what LAA powers were delegated to JFCOM. Such complications make the important and complex task of meeting urgent needs more difficult than it has to be.

Recommendations for Executive Action

As DOD considers expanding JRAC's coverage, we recommend that the Secretary of Defense take the following three actions:

- reassess the role of the JFCOM LAA in light of the expanding JRAC process, and determine whether and how JFCOM LAA should play a role in meeting joint urgent needs;
- to the extent JFCOM LAA is to continue to play a role in meeting joint urgent needs, assess and resolve, as appropriate, the funding, coordination, and delegation challenges identified in this report; and
- inform Congress of the results of the assessment and any resultant decisions in time for Congress to consider them in its deliberations on the National Defense Authorization Act for fiscal year 2008.

Matter for Congressional Consideration

In light of our recommendations, DOD's response and the fact that DOD has provided Congress with a fiscal year 2008 legislative proposal that would make the LAA statute permanent, Congress might want to delay its consideration of making JFCOM LAA permanent until DOD has informed Congress of the results of the recommended assessment and any associated decisions. This should not impair JFCOM LAA, as DOD plans to complete its assessment by the fourth quarter of 2007 and LAA, as currently enacted, extends through September 2008.

Agency Comments

In written comments on a draft of this report, DOD concurred with our recommendations, stating that it would reassess the role of the Joint Forces Command's limited acquisition authority in light of the expanding Joint Rapid Acquisition Cell process and consider the other issues identified in this report as a part of that effort. DOD expects to complete that reassessment by the fourth quarter of 2007. DOD also stated that it would inform Congress of the result of that assessment and any associated decisions. DOD's letter is reprinted in appendix II.

We plan to provide copies of this report to the Secretary of Defense, the Commander of JFCOM, and interested congressional committees. We will also make copies available to others upon request. In addition, the report will be available at no charge on the GAO Web site at <http://www.gao.gov>. If you or your staff has any questions concerning this report, please contact me at (202) 512-4841. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to the report include Bruce H. Thomas, Assistant Director; Lily J. Chin; Joseph E. Dewechter; Bonita J.P. Oden; Marie Ahearn; and Ken Patton.

A handwritten signature in black ink that reads "Paul L. Francis". The signature is written in a cursive, flowing style.

Paul L. Francis
Director
Acquisition and Sourcing Management

Appendix I: Scope and Methodology

To provide an update on the U.S. Joint Forces Command (JFCOM) limited acquisition authority (LAA) efforts since LAA was enacted, we obtained and analyzed information and documentation, and interviewed officials from a variety of organizations. For information on all LAA proposals and approved projects, as well as current LAA policy and procedures, we worked with officials from JFCOM, located in Norfolk, Virginia. For the views of warfighters on participating in the LAA process and on the utility and effectiveness of fielded LAA capabilities, we developed a data collection instrument and obtained information from U.S. Central Command and U.S. European Command warfighters, who had been involved in and used the capabilities from four of the six LAA projects. Some of these warfighters were in theater in Iraq, Afghanistan, and Europe. Other warfighters were at the Camp Lejeune Marine Corps Base, North Carolina, and at the Fort Bragg Army Base, North Carolina. We also collected information and interviewed officials from U.S. Central Command headquarters, located in Tampa, Florida. For project offices involved in LAA projects, we obtained information and interviewed officials for selected LAA projects in the Sequoyah Transition Management Office, U.S. Army Communications-Electronics Life Cycle Management Command, at Fort Monmouth, New Jersey; in the U.S. Army Night Vision and Electronic Sensors Directorate, Army Materiel Command, at Fort Belvoir, Virginia; in the Army Research, Development, and Engineering Command, Natick Soldier Systems Center, Natick, Massachusetts; and in the Joint Systems Integration Command, at Suffolk, Virginia. For organizations providing contracting services for LAA projects, we obtained information and interviewed officials at the Navy Fleet Industrial and Supply Center, in Philadelphia, Pennsylvania, and in the U.S. Army Communications-Electronics Life Cycle Management Command, at Fort Monmouth, New Jersey.

To identify key challenges in operating and managing LAA, we obtained and analyzed information and documentation, and interviewed officials, from JFCOM; and Office of the Secretary of Defense—General Counsel, Comptroller, Under Secretary of Defense (Acquisition, Technology, and Logistics)/Defense Procurement and Acquisition Policy, Under Secretary of Defense (Acquisition, Technology, and Logistics)/Joint Rapid Acquisition Cell (JRAC), Under Secretary of Defense (Acquisition, Technology, and Logistics)/Director, Defense Research and Engineering, and the Joint Staff/J-8, Capabilities and Acquisition Division, which are located in Arlington, Virginia. We reviewed and analyzed JFCOM's LAA policy and procedures and identified challenges in operating and managing LAA. We also obtained and analyzed information from the warfighters, contracting organizations, and project offices for any challenges they

identified or experienced with LAA. In addition, we researched and analyzed the LAA statute and its legislative history to identify any legal challenges in implementing, operating, and/or managing LAA.

To examine LAA within the context of other DOD rapid acquisition processes, we obtained and analyzed information and documentation, and interviewed officials, from JFCOM; the Under Secretary of Defense (Acquisition, Technology, and Logistics)/Defense Procurement and Acquisition Policy; the Under Secretary of Defense (Acquisition, Technology, and Logistics)/Director, Defense Research and Engineering; the Under Secretary of Defense (Acquisition, Technology, and Logistics)/JRAC; the Joint Staff/J-8, Capabilities and Acquisition Division; the Joint Improvised Explosive Device Defeat Organization, located in Arlington, Virginia; and the U.S. Army Rapid Equipping Force, located at Fort Belvoir, Virginia. We also gathered information on the rapid acquisition processes for the military services and the U.S. Special Operations Command. We compared key aspects of the LAA process with those of the JRAC process, including reviewing and analyzing the Chairman of the Joint Chiefs of Staff Instruction 3470.01 for Rapid Validation and Resourcing of Joint Urgent Operational Needs in the Year of Execution. We also determined if JRAC might have been able to process the six approved LAA projects if the JRAC process had existed at the time the projects were approved by JFCOM. Furthermore, we reviewed and analyzed the LAA legislative history and the JRAC process to identify similarities and differences. However, we did not conduct an in-depth evaluation of JRAC or the JRAC process.

We conducted our work from July 2006 to March 2007 in accordance with generally accepted government auditing standards.

Appendix II: Comments from the Department Of Defense



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

APR 11 2007

Mr. Paul Francis
Director, Acquisition and Sourcing Management
U.S. Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548

Dear Mr. Francis:

This is the Department of Defense (DoD) response to the GAO Draft Report, GAO-07-546, 'DEFENSE ACQUISITIONS: Status and Challenges of Joint Forces Command's Limited Acquisition Authority,' dated March 19, 2007 (GAO Code 120623).

We have enclosed comments addressing the three recommendations on pages 15 and 16 of the draft report.

My point of contact is Mr. Skip Hawthorne, 703.692.9556, or e-mail: skip.hawthorne@osd.mil.

Sincerely,

Shay D. Assad
Director, Defense Procurement
and Acquisition Policy

Enclosure:
As stated



GAO DRAFT REPORT—DATED MARCH 19, 2007
GAO Code 120623/GAO-07-546

DEFENSE ACQUISITIONS:
Status and Challenges of Joint Forces Command's Limited Acquisition
Authority

**DEPARTMENT OF DEFENSE
COMMENTS
REGARDING THE DRAFT REPORT**

Attachment

GAO DRAFT REPORT DATED MARCH 19, 2007
GAO-07-546 (GAO CODES 120623)

"DEFENSE ACQUISITIONS: STATUS AND CHALLENGES OF JOINT
FORCES COMMAND'S LIMITED ACQUISITION AUTHORITY"

DEPARTMENT OF DEFENSE COMMENTS
TO THE GAO RECOMMENDATIONS

RECOMMENDATION 1: The GAO recommended that the Secretary of Defense reassess the role of the Joint Forces Command's limited acquisition authority (JFCOM LAA) in light of the expanding Joint Rapid Acquisition Cell process, and determine whether and how JFCOM LAA should play a role in meeting joint urgent needs. (p. 15/GAO Draft Report)

DOD RESPONSE: Concur. The Secretary of Defense will reassess JFCOM's Limited Acquisition Authority in light of the expanding Joint Rapid Acquisition Cell process. The reassessment of JFCOM's LAA is expected to be completed by 4th quarter 2007.

RECOMMENDATION 2: The GAO recommended that the Secretary of Defense assess and resolve, as appropriate, the funding, coordination, and delegation challenges identified in this report to the extent JFCOM LAA is to continue to play a role in meeting joint urgent needs. (p. 15/GAO Draft Report)

DOD RESPONSE: Concur. These issues will be considered in association with the reassessment of JFCOM's role in the development of joint capabilities, expected to be completed by 4th quarter 2007.

RECOMMENDATION 3: The GAO recommended that the Secretary of Defense inform congress of the results of the assessment and any resultant decisions in time for Congress to consider them in its deliberations on the National Defense Authorization Act for fiscal year 2008. (p. 16/GAO Draft Report)

DOD RESPONSE: Concur. The Secretary of Defense will inform Congress of the results of its reassessment and any associated decisions.

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